# GOVERNMENT OF INDIA
# EXTERNAL AFFAIRS
# LOK SABHA

UNSTARRED QUESTION NO:2109
ANSWERED ON:15.03.2017
Social Security Agreement with Germany
Sawaikar Shri Advocate Narendra Keshav

**Will the Minister of EXTERNAL AFFAIRS be pleased to state:**

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether the Government has recently ratified social security agreement with Germany;

(b) if so, the details thereof including its effective date; and

(c) whether the agreement would promote investment flow between the two countries and if so, the details thereof?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
[GEN. (DR) V. K. SINGH (RETD)]

(a) An Agreement on Social Insurance (ASI) between India and Germany was signed on 8 October 2008 and came into force on 1 October 2009. As per the Agreement, detached workers of the two countries were exempted from making social security contributions in either countries so long as they were making such contributions in their respective countries. Subsequently a wider encompassing Agreement on Social Security (SSA) including Totalisation of benefits was negotiated and the SSA was signed by the competent authorities of the two nations on 12 October 2011. The Agreement was ratified by the Hon'ble President of India on 31 October 2011. However the exchange of the ratification document was undertaken only on 23 February 2017.

(b) Under the provisions of the Article 26 (1) of the Social Security Agreement (SSA), the Agreement shall enter into force on the first day of the third month following the month in which the instruments of Ratification have been exchanged. Accordingly, upon the exchange of instruments of Ratification between India and Germany on this 23rd day of February 2017, the Social Security Agreement (SSA) shall enter into force with effect from 1st May 2017. The SSA shall replace the earlier Agreement on Social Insurance (ASI) with effect from the said date of 1st May 2017 as per the provisions of the SSA.

(c) The Social Security Agreement (SSA) between India and Germany when operational from 1st May 2017 will favourably impact the profitability and competitive position of Indian and German companies with foreign operations in either countries by reducing their cost of doing business. Since the cost of doing business in a foreign territory would be reduced this would incentivise investments into the respective countries. Accordingly, the Social Security Agreement SSA will also help promote more investment flows between the two countries.
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